

that does not include filing a formal class action in a Federal or State court is not considered a class action for purposes of this part.

*Client or client applicant* means an individual receiving or seeking services under the Act, respectively.

*Designated agency* means the agency designated by the Governor under § 370.2 to conduct a client assistance program under this part.

*Mediation* means the act or process of using an independent third party to act as a mediator, intermediary, or conciliator to settle differences or disputes between persons or parties. The third party who acts as a mediator, intermediary, or conciliator may not be any entity or individual who is connected in any way with the eligible system or the agency, entity, or individual with whom the individual with a disability has a dispute. Mediation may involve the use of professional mediators or any other independent third party mutually agreed to by the parties to the dispute.

*Services under the Act* means vocational rehabilitation, independent living, supported employment, and other similar rehabilitation services provided under the Act. For purposes of the CAP, the term “services under the Act” does not include activities carried out under the protection and advocacy program authorized by section 509 of the Act (i.e., the Protection and Advocacy of Individual Rights (PAIR) program, 34 CFR part 381).

*State* means, in addition to each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, The United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Republic of Palau (but only until September 30, 1998), except for purposes of the allotments under section 112 of the Act, in which case “State” does not mean or include Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Republic of Palau.

(Authority: 29 U.S.C. 711(c) and 732; Pub. L. 101–219 (Dec. 12, 1989); Pub. L. 99–658 (Nov. 14, 1986); and Pub. L. 99–239 (Jan. 14, 1986))

### **§ 370.7 What shall the designated agency do to make its services accessible?**

The designated agency shall provide, as appropriate, the CAP services described in § 370.4 in formats that are accessible to clients or client applicants who seek or receive CAP services.

(Authority: 29 U.S.C. 711(c))

## **Subpart B—What Requirements Apply to Redesignation?**

### **§ 370.10 When do the requirements for redesignation apply?**

(a) The Governor may not redesignate the agency designated pursuant to section 112(c) of the Act and § 370.2(b) without good cause and without complying with the requirements of §§ 370.10 through 370.17.

(b) For purposes of §§ 370.10 through 370.17, a “redesignation of” or “to redesignate” a designated agency means any change in or transfer of the designation of an agency previously designated by the Governor to conduct the State’s CAP to a new or different agency, unit, or organization, including—

(1) A decision by a designated agency to cancel its existing contract with another entity with which it has previously contracted to carry out and operate all or part of its responsibilities under the CAP (including providing advisory, assistance, or advocacy services to eligible clients and client applicants); or

(2) A decision by a designated agency not to renew its existing contract with another entity with which it has previously contracted. Therefore, an agency that is carrying out a State’s CAP under a contract with a designated agency is considered a designated agency for purposes of §§ 370.10 through 370.17.

(c) For purposes of paragraph (a) of this section, a designated agency that does not renew a contract for CAP services because it is following State procurement laws that require contracts to be awarded through a competitive bidding process is presumed to have good cause for not renewing an existing contract. However, this presumption may be rebutted.

(d) If State procurement laws require a designated agency to award a contract through a competitive bidding process, the designated agency must hold public hearings on the request for proposal before awarding the new contract.

(Authority: 29 U.S.C. 711(c) and 732(c)(1)(B))

**§ 370.11 What requirements apply to a notice of proposed redesignation?**

(a) Prior to any redesignation of the agency that conducts the CAP, the Governor shall give written notice of the proposed redesignation to the designated agency, the State Rehabilitation Advisory Council (SRAC), and the State Independent Living Council (SILC) and publish a public notice of the Governor's intention to redesignate. Both the notice to the designated agency, the SRAC, and the SILC and the public notice must include, at a minimum, the following:

- (1) The Federal requirements for the CAP (section 112 of the Act).
- (2) The goals and function of the CAP.
- (3) The name of the current designated agency.
- (4) A description of the current CAP and how it is administered.
- (5) The reason or reasons for proposing the redesignation, including why the Governor believes good cause exists for the proposed redesignation.
- (6) The effective date of the proposed redesignation.
- (7) The name of the agency the Governor proposes to administer the CAP.
- (8) A description of the system that the redesignated (i.e., new) agency would administer.

(b) The notice to the designated agency must—

- (1) Be given at least 30 days in advance of the Governor's written decision to redesignate; and
- (2) Advise the designated agency that it has at least 30 days from receipt of the notice of proposed redesignation to respond to the Governor and that the response must be in writing.
- (c) The notice of proposed redesignation must be published in a place and manner that provides the SRAC, the SILC, individuals with disabilities or their representatives, and the public

with at least 30 days to submit oral or written comments to the Governor.

(d) Following public notice, public hearings concerning the proposed redesignation must be conducted in an accessible format that provides individuals with disabilities or their representatives an opportunity for comment. The Governor shall maintain a written public record of these hearings.

(e) The Governor shall fully consider any public comments before issuing a written decision to redesignate.

(Approved by the Office of Management and Budget under control number 1820-0520)

(Authority: 29 U.S.C. 711(c) and 732(c)(1)(B))

**§ 370.12 How does a designated agency preserve its right to appeal a redesignation?**

(a) To preserve its right to appeal a Governor's written decision to redesignate (see § 370.13), a designated agency must respond in writing to the Governor within 30 days after it receives the Governor's notice of proposed redesignation.

(b) The designated agency shall send its response to the Governor by registered or certified mail, return receipt requested, or other means that provides a record that the Governor received the designated agency's response.

(Approved by the Office of Management and Budget under control number 1820-0520)

(Authority: 29 U.S.C. 711(c) and 732(c)(1)(B))

**§ 370.13 What are the requirements for a decision to redesignate?**

(a) If, after complying with the requirements of § 370.11, the Governor decides to redesignate the designated agency, the Governor shall provide to the designated agency a written decision to redesignate that includes the rationale for the redesignation. The Governor shall send the written decision to redesignate to the designated agency by registered or certified mail, return receipt requested, or other means that provides a record that the designated agency received the Governor's written decision to redesignate.

(b) If the designated agency submitted to the Governor a timely response to the Governor's notice of proposed redesignation, the Governor shall